



401 9th Street, Northwest
Suite 400
Washington, DC 20004

December 11, 2002

Marlene H. Dortch
Secretary
Federal Communications Commission
TW-A325
445 12th St., SW
Washington, D.C. 20554

**Re: Ex Parte Communication of Sprint Corporation: In the Matter of
Verizon Section 63.71 Application to Discontinue Expanded Inter-
connection Service through Physical Collocation, WC Docket No. 02-237**

Dear Ms. Dortch:

In their comments in the above-captioned proceeding, Sprint and numerous other parties opposed Verizon's application because, among other things, the forced migration to state collocation offerings would result in significant increases to collocators' monthly recurring costs.¹ In its reply comments, Verizon asserted that, if its application is granted, "collocators will have an opportunity to reduce their costs" under the partial grandfathering option (*i.e.*, for existing arrangements, paying state rates only for DC power).² In Sprint's case, Verizon estimated a cost reduction of 10.9%.

Verizon's estimated impact analysis for Sprint was summarized in a six-line attachment, with virtually no information about the underlying assumptions. Sprint has been unable to replicate Verizon's analysis, and our internal review of Verizon's proposal indicates that grant of its Section 63.71 application would result in a minor decrease (less than that computed by Verizon) in Sprint's recurring collocation expense if the partial grandfathering option is taken. However, this cost comparison still does not take into account the very high non-recurring costs Sprint has already paid in New York under the federal tariff (\$5.236 million), for which Verizon has refused to offer any credit. Furthermore, the recurring cost savings could be eliminated with the addition of a single augment of an existing facility, where service must be taken entirely from the state tariff. Thus, Verizon's claim that its proposal will actually benefit collocators -- especially in the long run -- should be viewed with considerable skepticism.

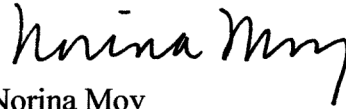
Besides the financial impact of Verizon's proposal to discontinue federally tariffed expanded interconnection service, there are operational, administrative, and procedural

¹ See, *e.g.*, Sprint comments dated September 18, 2002, p. 4.

² Verizon reply comments dated October 3, 2002, p. 7. Verizon's estimated impact analyses for various of its collocation customers were filed on a proprietary basis.

reasons why Verizon's application is contrary to the public interest.³ Therefore, Sprint again urges the Commission to deny Verizon's application.

Sincerely,

A handwritten signature in black ink, appearing to read "Norina Moy". The signature is fluid and cursive, with the first name "Norina" being more prominent than the last name "Moy".

Norina Moy
Director, Federal Regulatory
Policy and Coordination

cc: Jennifer McKee, WC Bureau
Joseph DiBella, Verizon
Parties of record

³ See Sprint's comments, pp. 9-14.